

## **Impact of the changes to Housing Benefit announced in the June 2010 Budget**

In its first Budget, the Coalition Government made a number of announcements on changes to Housing Benefit, and in particular to Local Housing Allowance. The new measures are as follows:

- From October 2011, Local Housing Allowance rates will be set at the 30th percentile of local rents (instead of the 50th percentile).
- Deductions for non-dependants will be uprated in April 2011 on the basis of prices. This will reverse the freeze in these rates since 2001-02.
- From 2013-14, Local Housing Allowance rates will be uprated in line with the Consumer Price Index (CPI).
- From April 2013, housing entitlements for working age people in the social sector will reflect family size.
- Housing Benefit awards will be reduced to 90% of the initial award after 12 months for claimants receiving Jobseeker's Allowance. This will be introduced in April 2013.
- From April 2011, Housing Benefit claimants with a disability and a non-resident carer will be entitled to funding for an extra bedroom.
- From April 2011, Local Housing Allowance Rates will be capped at £250 per week for a one bedroom property, £290 per week for a two bedroom property, £340 per week for a three bedroom property and £400 per week for four bedrooms or more.
- The Government contribution to Discretionary Housing Payments will be increased by £10 million in 2011-12 and £40 million in each year from 2012-13.

The Work and Pensions Committee has decided to hold an inquiry into those changes. Written evidence is invited from interested organisations. The focus of the inquiry will be the implications of the announced changes for:

- Incentives to work and access to low paid work
- Levels of rent, including regional variations
- Shortfalls in rent
- Levels of evictions and the impact on homelessness services
- Landlord confidence
- Community cohesion

- Disabled people, carers and specialist housing
- Older people, large families and overcrowding

The Committee may also follow up some of the recommendations in the Report published by the previous Work and Pensions Committee in March 2010 on Local Housing Allowance [Fifth Report of Session 2009-10, HC 235].

**The deadline for written evidence is Monday 6 September 2010.**

### **How to submit your evidence**

- Contributors should feel no obligation to comment on all the issues raised above, but should focus on those areas in which they have particular expertise or interest.
- Please bear in mind that the Committee cannot investigate individual cases.
- Written evidence should be in Word or rich text format, not PDF format, and sent by email to [workpencom@parliament.uk](mailto:workpencom@parliament.uk). The body of the email must include a contact name, telephone number and postal address. The email should also make clear who the submission is from. Hard copy submissions should be sent to: The Work and Pensions Committee, House of Commons, 7 Millbank, London SW1P 3JA.
- Submissions should be in the format of a self-contained piece of written evidence. Paragraphs should be numbered for ease of reference, and the document must include a summary. For further guidance on the submission of evidence see [www.parliament.uk/parliamentary\\_committees/witness.cfm](http://www.parliament.uk/parliamentary_committees/witness.cfm)
- Submissions should be original work, not previously published or circulated elsewhere. Material already published elsewhere may be referred to within a proposed piece of written evidence, in which case a hard copy of the published work should be included.
- Once submitted, your submission becomes the property of the Committee and no public use should be made of it unless you have first obtained permission from the Clerk of the Committee. The Committee normally, though not always, chooses to publish the written evidence it receives, either by printing the evidence, publishing it on the internet (where it will be accessible by search engines) or by making it publicly available through the Parliamentary Archives. If there is any information you believe to be sensitive you should highlight it and explain what harm you believe would result from its disclosure. The Committee will take this into account in deciding whether to publish or further disclose the evidence.
- For data protection purposes, it would be helpful if individuals wishing to submit written evidence send their contact details in a covering letter. You

should be aware that there may be circumstances in which the House of Commons will be required to communicate information to third parties on request, in order to comply with its obligations under the Freedom of Information Act 2000.